

City of Verona
Minutes
Plan Commission
October 5, 2020

Due to the COVID-19 pandemic, the Verona Plan Commission held its meeting as a virtual meeting. The Plan Commission did not meet at City Hall, 111 Lincoln Street. Members of the Plan Commission and Staff joined the meeting by using Zoom Webinar. Members of the public were able to join the meeting using Zoom Webinar via a computer, tablet, or smartphone, or by calling into the meeting via phone.

1. **Call to Order:** Luke Diaz called the meeting to order at 6:3X p.m.
2. **Roll Call:** Luke Diaz, Mike Hankard, Steve Hingle, Katie Kohl, Pat Lytle, Tyler Powers, and Beth Tucker Long were present. Also present: City Administrator Adam Sayre, Community Development Specialist Katherine Holt, and City Engineer Carla Fischer.
3. **Public Comment:**
4. **Approval of minutes from August 3, 2020 and September 8, 2020 Plan Commission meetings.** Motion by , seconded by , to approve the minutes from the August 3, 2020 and September 8, 2020 Plan Commission meetings. Motion carried 7-0.
4. **Public Hearing – Planned Unit Development (PUD) Precise Implementation Plan (PIP) review for a one (1) story, 1,600 square foot building addition located at 517 Half Mile Road.**

Motion by Diaz, seconded by , to open the public hearing at 6:XX p.m. Motion carried 7-0.

There were no comments from the public.

Motion by , seconded by , to close the public hearing at 6:XX p.m. Motion carried 7-0.

- a. **Discussion and Possible Action – PIP for a one (1) story, 1,600 square foot building addition located at 517 Half Mile Road.**

Motion by Hankard, seconded by Kohl, to approve a GDP for a PUD for a one (1)-story, 1,600 square foot building addition located at 517 Half Mile Road, with a rear yard setback exemption of 10 feet.

Tucker Long asked if the retaining wall will be extended with the addition to the parking lot.

Sayre replied that is something that Staff will look at as planning for the project progresses.

Motion carried 7-0.

5. **Public Hearing – Planned Unit Development (PUD) General Development Plan (GDP) for a four (4)-story, 80-unit apartment building with 9,319 square feet of commercial space located at 410 and 420 West Verona Avenue.**

Motion by Diaz, seconded by Lytle, to open the public hearing at 6:42 p.m. Motion carried 7-0.

- Scott Manley, 433 Westridge Parkway, Verona, spoke in opposition of using TIF subsidies to support residential development that would itself require taxpayer subsidy to subsidize rental income. He also spoke in general opposition to subsidized housing in the City of Verona, citing public safety concerns.

- James and Sharon Berkner, 404 Rita Avenue, Verona, spoke in opposition to this project as proposed, citing the project height, increased traffic, density, and public safety concerns.
- David Kaltenberg, 409 Rita Avenue, Verona, spoke in opposition to this project as proposed, citing the project height, access points, traffic safety, density, and location of the project.
- Philip Nawrocki, 501 Mark Drive, Verona, spoke in opposition to this project as proposed, citing increased traffic, the project height, on-street parking, safety, light and noise pollution, and the effect of the project on the water table.
- Carole Jamieson, representing Lucille Jamieson, 406 Rita Avenue, Verona, spoke in opposition to this project as proposed, citing the project height, increased traffic, on-street parking, and decreased property values
- Sean O'Brien, representing Northpointe Development, stated this project is intended to supply affordable housing for working families in Verona. Since the neighborhood meeting held in July, several updates have been made to the plan to address the concerns that were voiced at the meeting.

Motion by Kohl, seconded by Powers, to close the public hearing at 7:20 p.m. Motion carried 7-0.

a. Discussion and Possible Action – GDP for a PUD for a four (4)-story, 80-unit apartment building with 9,319 square feet of commercial space located at 410 and 420 West Verona Avenue.

Sayre explained this site includes the Klassik Tavern property and the Old National Bank property between Rita Avenue and the City water tower on West Verona Avenue. The property is located within the Downtown Mobility and Development Plan, and was identified for redevelopment as part of the Plan. The property is also included in TID #9, which is the TID for the Sugar Creek Commons redevelopment project. The developer will be applying for Wisconsin Housing and Economic Development Association (WHEDA) tax credits to help subsidize and reduce the rental unit rates. The project will include one, two and three-bedroom units, with rents ranging from 30% of Dane County median income to 60% of Dane County median income. Multi-family residential will front Verona Avenue, with mixed-use commercial with residential above fronting Rita Avenue. Old National Bank will be the anchor tenant for this project. Underground parking will be available, as well. The project setbacks meet the minimum setback requirements for the Downtown Design and Use Overlay District. The Applicant is requesting an exemption to allow a building height of 50 feet. Access points would be from Rita Avenue and West Verona Avenue. The offset intersection of Rita Avenue and Legion Street has been a challenge. Staff is recommending that the Applicant move the access point on West Verona Avenue to the east as far as possible, to avoid additional congestion at that intersection. A traffic impact analysis (TIA) is planned for this area in the near future, to include the impact of the New Century School project, the Sugar Creek Commons project, as well as this project.

Diaz asked about the potential impacts of underground parking on stormwater in this neighborhood.

Fischer replied that site naturally drains from east to west. There is a storm sewer inlet along Rita Avenue where this project could tie in. Some of the concerns voiced this evening pertain to groundwater, versus stormwater. She does not anticipate this project making the groundwater issues worse. If anything, they may draw the groundwater table down as

a result of constructing underground parking. In addition, the City does not allow developments on wetlands.

Kohl stated making a decision on this project based on the kinds of people that would be renting these apartments would be highly discriminatory. Being in a lower income bracket does not equate to criminality.

Hingle agrees with Kohl. He is concerned, however, about the proximity of the building to West Verona Avenue, as he anticipates the need to widen West Verona Avenue to four lanes in the future to accommodate traffic generated by the new high school.

Lytle asked if the City has ever approved a four-story project abutting a residential area.

Sayre replied the Sugar Creek Commons project is a four-story project, however it does not abut a residential area.

Lytle wonders if this project would be feasible at three stories rather than four, what options the City has regarding the cross streets. Given the rights that are granted as part of a GDP, he would be concerned about approving the GDP without more information. He believes this is a good opportunity for Verona to increase housing diversity within the City.

Diaz asked what rights a GDP gives to developers.

Sayre replied they are requesting exemptions, including the building height of 50 feet and a parking exemption reducing underground parking to one underground space per unit. Those exemptions would be granted as part of the GDP approval. If the GDP is approved with the exemptions, and the plan continues to be generally consistent with the GDP, it would be difficult to deny it as part of the Precise Implementation Plan (PIP), which is the next step.

Lytle asked if the “but for” TIF test can be applied to just the non-residential portion of the property, versus to the entire development.

Sayre replied the City utilizes Ehlers to determine whether or not TIF will be provided for the project. That decision is based on a performa. Dividing the project would complicate things, certainly. It is not something Staff has considered.

Kohl stated she agrees that Verona has not had trouble attracting market-rate apartments without using TIF, but if some TIF is needed to help the City provide workforce housing, it would not be a misuse of TIF funds.

Hankard applauds the developer trying to bring workforce housing into town. He also agrees with the neighbors that four story building is too high. He asked Sayre to explain what the Applicant meant when he stated the developer only wants to gain permissible zoning at this time.

Sayre replied from a tax credit standpoint, WHEDA needs to know if the project is actually going to be approved by the City. Permissible zoning means the project either has to be zoned in a manner that would allow the project to move forward, or some type of entitlement has to be in place to prove the project can be built as described.

Hankard stated the project does not have his support as proposed, as he believes it is too tall and too dense.

Tucker Long asked what the normal parking requirements would be for a project such as this.

Sayre replied the City's ordinances over-park property. Parking is typically based upon the type of units that need parking. This project would have 80 underground spaces and 59 above ground spaces, putting them at approximately 1.73 spaces per unit. We typically see 1.5 – 2 spaces per unit. The complicating factor with this project is not knowing what businesses will be renting the commercial space. The Applicant is probably about 60 parking spaces short according to the City's ordinance, but the ordinance requires much more parking than is actually needed in most cases. Nearly every apartment project sees a request for an exemption for parking.

Hingle stated if the building is reduced from four stories to three stories, perhaps some of the surface parking can be eliminated, making room for more green space.

Tucker Long stated she is hesitant to decrease the number of parking stalls, as workforce families living in larger 3-bedroom apartments will likely have more than one car, and therefore need more than one parking stall. The property is very small for a project of this size, and lacks green space, which requires children to cross West Verona Avenue to get to a park or green space. In addition, she agrees that the building is too tall at four stories.

Diaz asked the Commissioners if they are comfortable voting on this item now, or they would like to delay a vote pending additional information on the project.

Lytle asked for input from Staff and the Applicant regarding the feasibility of reducing the height to three stories and reconfiguring the building to allow for more units, what impact delaying this decision would have on the Applicant's application with WHEDA.

O'Brien replied the WHEDA applications are due in December. There is some paperwork and studies that must be completed before that time. There are tax credit development rules associated with how much income can come from commercial and residential to make the project eligible for tax credits. With 9, 600 square feet of retail space proposed, he would be concerned about moving to a smaller residential portion of the project. Reducing the height of the project would only be financially feasible if the retail space was significantly reduced, as well. He believes this is an appropriate use for TIF funds. The tax credit process is extremely competitive. WHEDA gives priority to projects that show additional sources of financing outside of the tax credits. Many of the households in the neighborhood do not have concerns regarding the redevelopment. In addition, there are many mature trees in the area that are taller than the height of this building.

Hankard stated if one of the ways to reduce the bulk of this project is to reduce the commercial portion of the project. He is more concerned about being sensitive to the residents in the area.

Motion by Lytle, seconded by Powers, to delay taking action on this project to the next Plan Commission meeting pending more information regarding the project.

Tucker Long asked when the traffic study will be done.

Sayre replied that will depend on how the New Century School project progresses.

Motion carried 7-0.

6. Discussion and Possible Action – Site Plan review for an approximately 5,000 square foot storage garage located at 4391 Maple Grove Drive and operated by Dane County.

Holt explained this property is within the right-of-way for US HWY 18/151. The site currently contains a salt storage shed building. Staff recommends landscaping between the building and Maple Grove Drive. The building is one-story with four garage bays on one side, and windows

on three sides. The exterior will mimic the color and material used on the salt storage shed. The roof is pitched to create a smaller looking building along Maple Grove Drive. No action is required by the Commission, as the building is not in the City's jurisdiction, however Staff recommends the Commission provide feedback.

Diaz agrees that landscaping is needed between the building and Maple Grove Drive. He would like to see native Wisconsin trees used for the landscaping.

Tucker Long appreciates the style of the buildings.

Powers asked if there will be any landscaping between the buildings and US HWY 18/151.

Holt replied no landscaping plan was submitted, but she believes the landscaping on that side of the property will remain as it is. Based on the plans that were submitted, it looks like they have another spot available on the site to locate another building in the future.

The Commission took no action on this item.

7. Discussion and Possible Action – Planned Unit Development (PUD) concept plan review for a three (3)-story, 42 unit apartment building located at 1057 North Edge Trail.

Holt explained the property is located on the corner of North Edge Trail and Cross Country Road. Access to the property currently comes from Cross Country Road, North Edge Trail and Prairie Way Boulevard, with North Edge Trail and Prairie Way Boulevard being private roads. The property is part of the Prairie Oaks Neighborhood. The proposal includes razing a portion of the existing commercial building located closest to North Edge Trail, and construct an apartment building. The commercial building fronting Cross Country Road would remain. The Applicant is proposing to create two separate lots for this property. This allows two different zoning districts: Urban Residential for the property containing the proposed apartment building, and Suburban Commercial for the property containing the commercial property. The proposed apartment building would be 15 feet from the front setback, which is less than the required 25 foot setback; and the side setback in the north is 10 feet, which is less than the required 15 feet. However, other properties in the Prairie Oaks Neighborhood have allowed porches to encroach on the setback. Access to the buildings will remain the same. One underground parking space per dwelling unit is proposed, and bicycle parking will be incorporated into future design submittals. The existing parking lot will be extended to match the length of the apartment building. The apartment building will include nine studio units, 21 one-bedroom units, and 12 two-bedroom units. Because the commercial property will remain, and the rest of the property will contain multi-family units, this property could be considered mixed-use, making it possible for this property to be exempt from the City's residential phasing policy.

Powers asked for clarification that there will be two separate buildings in this project, and why this would be considered mixed use.

Sayre replied mixed-use in its true form consists of commercial retail on the first floor with apartments above, but the term is also used when there is one property with two different uses.

Tucker Long asked if the developer will be razing the entire building, or just building on top of what is already there.

Holt replied the current tenants along North Edge Trail will be given the option to relocate to the portion of the building facing Cross Country Road. When all the tenants have vacated the portion along North Edge Trail, that portion will be razed and the apartment building will be built.

Lytle stated he is skeptical from the outset. It looks like it will be an apartment building surrounded by concrete. He would like to know how the building will be made attractive, how it might connect with other buildings in the area, and how the scale of the building will fit into the surrounding area.

Hingle is also concerned about there not being enough green space in this project.

Tucker Long is concerned about these being luxury apartments, versus apartments for working families. She is also concerned about the current businesses incurring moving costs if they are forced to relocate.

Michael Johnson, representing Prairie Oaks Retail Center, stated they work hand-in-hand with the existing tenants. The concept of razing a portion of the Prairie Oaks Retail Center and constructing an apartment building evolved from the COVID-19 shutdown. He gave deferred rent to a number of businesses. Fewer than 5,000 square feet of the North Edge Trail portion of the building proposed to be razed is occupied by tenants. The portion of the building fronting Cross Country Road has 5,200 square feet available, so there is room to move all of the North Edge Trail tenants to the Cross Country Road building. Three of the five on North Edge Trail are in month-to-month leases. He would work with all existing tenants to help them relocate, if they desire. They are planning a large grill patio to make up for the lack of green space.

Hingle stated a patio with a grill is not the same as having a grassy area for children to play in.

Johnson replied a large number of children do not usually reside in smaller luxury apartments such as these.

Powers stated the owner is probably correct in suggesting that there will be a limited number of children residing in the apartment building. It is likely just a matter of the owner trying to make the best of a bad situation created by COVID-19.

Hankard stated it seems like the landlord has been doing a good job of working with his tenants. He also agrees with the owner about there not being a large concern about the lack of green space. This is a place that would accommodate density better than some others. He is in favor of this project.

Diaz stated he likes infill projects, and he thinks that putting some people in this area may also help the businesses located there. He believes on the whole it is a good project.

The Commission took no action on this item.

8. Discussion and Possible Action – Planned Unit Development (PUD) concept plan review for an 80-unit apartment building located at 121/125 Berkley Road.

Sayre explained there are currently two apartment buildings on this property, each containing ten units. Those units will be razed, and a three-story 80-unit apartment building will be built in their place. The property owner also owns the former motel property at 409 East Verona Avenue. The intent of the Applicant is to build the Berkley Street project, move the tenants from the former motel to 121/125 Berkley Road, and then redevelop the East Verona Avenue property. The building will front along the Military Ridge Trail. Access will be from Industrial Drive and Berkley Road. Staff has requested the developer to construct a sidewalk along Industrial Drive and Berkley Road, as well as a connection to the bike trail. The project will include 53 underground parking spaces and 59 above ground parking spaces, which equates to 1.4 spaces per unit. The Applicant is not concerned about the amount of parking, as many of the tenants do not own cars, and walk to their destinations. The goal of the Applicant is to keep the mix of tenants that he has currently, and wants to keep the cost of rent lower for his tenants.

Hingle asked what the rental price points will be for the new building.

Jason Hughes, representing East Avenue Properties, stated the current rental rates, which range from \$650 to \$850 will be honored in the new building.

Tucker Long likes the idea of connecting the property to the bike path, however she would like to keep more green space on the property.

Hankard and Diaz agree that this a good redevelopment project.

Holt asked the Commissioners to comment on the number of underground and above ground parking spaces.

Diaz stated he has no issues with the proposed parking plans. Since this is considered workforce housing, we do not want the cost of underground parking to be passed on to the tenants.

Lytle agrees that the parking plan is sufficient. Some flexibility is in order for this project.

The Commission took no action on this item.

9. Discussion and Possible Action – Planned Unit Development (PUD) concept plan review for a 10,565 square foot multi-tenant commercial building located at 409/411/415 East Verona Avenue.

Sayre explained this project involves the same property owner as the Berkley Street project. This project involves the former motel at 409, a house at 411, and the English Garden building at 415 East Verona Avenue. This area is included in the Downtown Mobility and Redevelopment Plan. The Applicant is proposing 10,565 square feet of multi-tenant commercial space, with a larger space on the northeast corner of the building and a drive-thru area. The setback is 25 feet, which falls within the required 15-25 feet. Patio seating wraps the entire building. Access points will be removed from Verona Avenue and move to Lincoln Street. Staff has requested the applicant to contact the owners of the Lincoln Street Apartments to discuss the potential for a shared driveway, as well as provision of a pedestrian connection between the two properties. Dunkin Donuts and Baskin Robbins have shown interest in leasing space in the building. A parking exemption would be required, however there is potential for sharing parking space with the City Center. Staff is recommending a right-of-way dedication of 13 feet for future improvements.

Diaz stated sharing parking with the City Center is a good idea, but he would not like to see the Fire Station parking lot be used.

Kohl asked if this will encompass the space where the old motel apartments are currently located, and if this project will be retail only.

Sayre replied the tenants from the old motel apartments would be relocated to the 121/125 Berkley Road project.

Kohl asked if the rent for the old motel apartment tenants will remain the same.

Diaz replied the rent will remain the same for those tenants.

Lytle is glad that additional right-of-way dedication is being required on this corner. He asked for the timeline for this project, since there are people that will have to be moved.

Sayre replied construction is anticipated to begin in the spring of 2021, with a 10-12 month construction schedule for Phase 1 apartments. The retail project will follow after existing tenants are relocated. That would put the start of construction on the East Verona Avenue retail project in 2022.

Tucker Long is generally in favor of revitalizing these properties, though she is sad to lose the English Garden house. It would be nice to keep the gazebo that is there. She is concerned that both lots will be losing a great deal of green space.

Kohl stated she is in favor of this project, but is disappointed to see more fast food type businesses going into the retail space. She would like to see more local businesses there.

Hankard stated he supports using this project as a gateway to the City's downtown. The architecture provided for this project will be very important, and would like to see a little more bulk to the project. He would like to see more detail from an architectural standpoint.

Diaz is also interested in ensuring that the architecture for this project is interesting, and perhaps a bit unique. He would be in favor of a two-story building on that corner, as well. He is also in favor of a shared driveway with the Lincoln Street Apartments complex, as well as a pedestrian path. He would also like to see a clear pedestrian path from the south on Lincoln Street to the door of the business.

The Commission took no action on this item.

10. Adjournment

Motion by Tucker Long, seconded by Kohl, to adjourn. Motion carried 7-0. The meeting was adjourned at 9:00 p.m.